From: aaron

To: Microsoft ATR

Date: 1/18/02 9:29am

Subject: proposed remedy

Dear Renata B. Hesse,

Having read all of the documents provided pursuant to the revised proposed Final Judgment in the United States vs. Microsoft I have the following comments:

- (1) I was relieved that provisions that would have certainly worked to extend Microsoft's monopoly into the one PC market where some semblance of competition still exists, namely the education market, were removed. As someone who works in the technology industry (though not in competition with Microsoft) I was shocked that the court would decide to "punish" Microsoft by granting it the task of providing cut-rate software and hardware to schools where such resources were in short supply. While the intent of this remedy was no doubt noble the impact on competition in the education market would have been devastating. Indeed, if Microsoft had decided to do this of its own volition the legality of such a move would be in question, and would probably have been challenged by Apple Computers, who would stand to lose considerable market share by being undercut by a company that already has a monopoly in most other areas of personal computing use.
- (2) While I am glad that the proposed penalty discussed in (1) was removed, I failed to see any mention of a replacement penalty against Microsoft in any of the documents associated with the revised proposed Final Judgment. Given that it has been demonstrated that Microsoft engaged in illegal behavior in using its monopoly power to place unreasonable restraints on competition, and in so doing caused irreparable damage to many of its competitors, simply putting in place measures to curtail future anti-competitive behavior provides insufficient remedy. The goals Microsoft wished to achieve by engaging in said anti-competitive behaviors as revealed in court documents dating back to 1995, namely the elimination of Netscape as a major contender in the browser market, have already come to pass. This damage to Netscape and to the American consumer has already been accomplished and any reasonable remedy needs to provide some penalty to punish the illegal actions that resulted in an enormous benefit to Microsoft and allowed it to extend its monopoly. Otherwise, Microsoft has quite simply been allowed to reap the benefits of its illegal activities. Penalties that would have sufficient impact on Microsoft as to provide a deterrent to future illegal are necessary in the case. Such penalties that would have an impact on Microsoft would be 1) a very large and meaningful fine, in addition to 2) requiring Microsoft Windows to ship with Netscape in a prominent position, if not as the default browser, possibly along with payments to Netscape to address Netscape's loss caused by Microsoft's misuse of their monopoly 3) requiring Microsoft

Windows to ship with the Java Runtime Engine installed (Windows XP has removed all Java support, for reasons that are clearly laid out in court documents). These penalties are even more necessary now that the effects of Microsoft's illegal actions are known: 1) Internet Explorer is now the dominant internet browser, 2) support for Java is now gone from Windows, 3) Micrososft has shown contempt for attempts by the United States to limit the abuse of its monopoly by releasing Windows XP earlier than announced to avoid a threatened government halt on its release. 4) Windows 98 demonstrated an escalation of Mircosoft's abuses of it monopoly by tying its operating system controls to non-operating system services provided by Microsoft. For example, a first use of the "connect to internet" desktop icon and control panel misleadingly brings up Microsoft's internet service sign-up as the only option. Even a professional computer-user such as myself had great difficulty trying to figure out how I would set up Windows 98 to connect to the internet with another Internet Service Provider.

(3) I believe that Microsoft's past actions demonstrate clearly that the proposed relief will not be sufficient to avoid anti-competitive abuse of monopoly on Microsoft's part. The current case against Microsoft has not impeded them from undertaking and in many cases escalating anti-competitive behavior, simply because the slowness of the legal process has allowed Microsoft to eliminate future competition effectively before court action can be taken. As in the current case, the damage has been done long before the court can come to a settlement of grievances. In the absence of any significant, penalty it is unlikely that the few safeguards put into place in the revised proposed Final Judgment (e.g. limited freedom from retaliation by Microsoft against computer manufacturers for allowing the prominent display of non-Microsoft middleware) could have an impact. Microsoft has broken the law and has shown every intention of continuing to engage in anti-competitive behavior and to abuse its monopoly to the detriment of business and consumers. This state of affairs necessitates very serious and profound government action to protect what is quite possibly the most important sector of the American economy from becoming the fiefdom of a single company. I believe a broad investigation into Microsofts current and past business practices and the proper punishment of the abuses that are discovered is the only way to return this sector of the economy to normalcy. Microsoft did not get to where it is today by the traditional busines practice of providing the best products and services at the best price, this has been demonstrated clearly by the court, and strident measures should be taken to insure that it does not continue to reap the benefits of its illegal activity as it currently is.

Sincerely,

Aaron Lawson